

REASON NINE

Rural Utah Big Business in Small-town Utah

By Heather Stewart

KANAB



SHELLI GARDNER, FACILITY GRAND OPENING



STAMPIN'UP! MANUFACTURING FACILITY IN KANAB

IMAGINE GOING FOR AN EARLY MORNING JOG BEFORE WORK—not through the busy streets of a city, but along the trails of a gorgeous national park, watching the sun rise in the clear blue skies above shimmering red rock cliffs.

This daydream is reality for the many entrepreneurs and business owners who have decided to set up shop in Utah's rural communities. But proximity to outdoor recreation is not the only advantage of the state's idyllic rural towns. Such cities also offer a hardworking, educated workforce with a relaxed, small-town lifestyle and a variety of economic development incentives for new businesses.

A LOYAL WORKFORCE

When Shelli Gardner decided to move her rubber stamp and scrapbook accessories business from southern Nevada to Utah, her hometown of Kanab was a natural choice—although big-city executives might not have viewed the remote town with a population of about 5,000 as a top choice for a manufacturing company.

The city of Kanab is perched at the southern-most border of the state, situated in a breathtaking landscape of coral pink cliffs, powdery sand dunes and earth-carving lava flows. The area seems like the last outpost of the Old West, but it is ideally located at the hub of several national parks including Zion, Bryce and the Grand Canyon, as well as the Lake Powell national recreation area. It is also centrally located between the major metropolitan areas of the Southwest: Las Vegas, Phoenix, Denver and Salt Lake City.

"The people who live in Kanab choose to live in Kanab. There's one traffic light in town. It's a slower lifestyle, a more relaxed lifestyle," Gardner says. Nevertheless, her company, Stampin' Up!, has thrived in the rural community.

The business opened its Kanab manufacturing facility in 1992. Since that time, the company has expanded at a rapid clip. "We added on to our build-

ing several times. Finally, we decided to invest in a new building for our workers," Gardner says. Stampin' Up! opened its new 80,000-square-foot facility in March 2007, and the original building remains in operation as well. Together, the two buildings house about 100 workers.

The company's headquarters are in the Salt Lake metropolitan area, but Gardner intends to keep the manufacturing operations in Kanab, 300 miles to the south. "We didn't want to bring the facility to northern Utah because our employees in Kanab know our product and our processes," she says.

Gardner characterizes her Kanab employees as extremely loyal. In fact, her manufacturing plant in Kanab has a much lower turnover rate than the administrative office in Salt Lake. "The community has been really good to us. We have employees who have been with us since 1992," she explains. "I love Kanab. Whenever I get to visit, I see my wonderful employees and I see the beautiful landscape, and it keeps me coming back."

A UNIQUE CULTURE

The city of Moab has become a major draw for outdoor enthusiasts and for companies looking to mix business with after-hours access to red rock wilderness. Moab is located in central-eastern Utah next to Arches National Park, a park famed for its surreal rock formations and twisting arches. The scarlet terrain lends itself to hiking, biking, horseback riding and camping, in addition to river rafting on the Colorado and Green Rivers.

The city's world-class outdoor adventure offerings have attracted recreation companies that want to open their corporate doors onto desert wilderness. Zeal Optics, a company that manufactures and markets performance eyewear for outdoor recreation, was founded by a duo of professional mountain bikers who fell in love with Moab during frequent biking trips.

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CEO/CO-FOUNDER, STAMPIN'UP!



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Wink Jackson

CO-FOUNDER OF ZEAL OPTICS



What attracts entrepreneurs to the unique town? "Quality of life," says Sakrison. "Friendly people, clean air and clean skies."

"A big-city location might be more convenient," Jackson says, "but it wouldn't be as much fun."

BUILDING ON ASSETS

About 30 miles west of Brigham City in northern Utah sits the Golden Spike National Historic Site—the place where the transcontinental railroad was completed, joining the two distant coasts with a belt of rail. This transportation milestone shaped the economic future of Brigham City and the surrounding region. The city, framed by lush farmland and a beautiful, mountainous terrain, has attracted numerous manufacturing and distribution enterprises due to its transportation infrastructure.

"We have a fairly strong manufacturing base here in Box Elder County," says Paul Larsen, economic development director for Brigham City. Companies such as ATK Thio-kol, Auto Liv and Nucor Building Systems have established operations in the county, taking advantage of the rail-served transportation hub.

Brigham City is not only situated near the railroad, but also along Interstate 84 and Interstate 15, the primary distribution corridor between Mexico and Canada. On top of that, the city is building up its telecommunications infrastructure with an extensive fiber-optic network.

Even so, the city has held onto its rural roots and country charm. Every year in September the city celebrates Peach Days, the oldest continually celebrated harvest festival in the state.

"Brigham City has a small-town atmosphere that people enjoy, but



yet we're only one hour away from the amenities in Salt Lake City," Larsen says. "You can enjoy that relaxed lifestyle and the beautiful scenery, but you can still be near enough to the ski resorts and the urban nightlife to enjoy that too."

Larsen believes the aerospace industry, which has a strong base in counties to the south, will soon expand into Brigham City, as will the related composites industry. The city is in a Historically Underutilized Business Zone (HUB zone), which means that companies located there receive some preference when bidding for federal contracts. And state incentives are also available for companies to relocate to Box Elder County—and to other, thriving rural communities in Utah.

Rural Utah offers businesses big city capabilities required to be competitive in today's global economy. But entrepreneurs are mostly attracted to rural Utah because of the people, the lifestyle and the outdoors. "We loved the area," says Wink Jackson, "and we thought it would be really cool to start a business there."

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The company's Website expresses Zeal Optics' passion for outdoor adventure through breathtaking images of the landscape around Moab. "I don't think that we could really convey that message clearly and honestly to the consumer if we were in Los Angeles or another place like that," Jackson says.

David Sakrison, mayor of Moab, estimates that 80 percent of the city's economy is built on tourism, although the city is also home to numerous Internet-based companies. "With telecommunications, people can work from almost anywhere," he says. "Moab has, I think, more home-based businesses than anywhere else in the state."

The Synergy Company, a vitamin marketing company, calls Moab home, as does the S.M. Stoller Corporation, an environmental restoration company. The city is also home to publishing companies, distribution centers and film production businesses.